

Frequently Asked Questions: Forest Lands

What is included under the term “natural disaster”?

Section 15-44-104, MCA, covers “forest lands upon which, at any time after December 31, 1993, trees are destroyed by fire, disease, insect infestation, or other natural disaster”....

Which section of law provides for the reduction in valuation on forestlands destroyed by natural disaster?

Section 15-44-104, MCA

If eligible for the reduction, will I obtain the reduction this tax year?

No, the first year of the reduction begins the first full tax year after the natural disaster.

Is there an application deadline?

Yes, the application (AB-26) must be filed with the DOR local field office by March 1 or within 30 days of receipt of the assessment list of the first full year for which the reduction in value is requested.

What are the criteria that must be met for the forestland to receive the 50% reduction in assessed valuation?

- The forestland affected must be 15 contiguous acres or larger in size and under one ownership;
- The forestland affected contained at least 10 percent stocking of live trees prior to the natural disaster;
- The forestland affected contains 10 percent stocking or less of live trees after the occurrence of the natural disaster; and
- The applicant has timely filed the request for valuation review (AB-26), and the natural disaster occurred after December 31, 1993.

What does the terminology “will not meet the minimum stocking requirements” mean?

The minimum stocking requirement for forested land to be taxed as forestland by the Department of Revenue is that the land must contain at least 10 percent stocking of live trees. This is determined by the Department of Revenue.

What is the extent of the reduction?

Eligible properties will receive a 50% reduction in assessed value for 20 tax years beginning the first full tax year following the natural disaster.